

**FOOD & BEVERAGE CONCESSION PROPOSAL**

- Concessionaire** : **FIRST CLASS CONCESSIONS, INC., a California Corporation**
- Location** : **500 James Fowler Road**
- Contact** : **Name** Phone Fax  
**Tasneem Vakharia, President.** 858.487.8984 858.487.8987
- Zoning** : **Airport Facilities, AF**
- Use** : **Non-exclusive operation of an airport food and beverage concession serving the traveling public.**
- Premises** : **(Site 1) 1,900 square feet post-Security concession space, on the second floor of the Terminal**  
**(Site 2) 1,000 square feet pre-Security concession space, on the ground floor of the Terminal**
- Term** : **Ten years:**  
**Initial Term** - Commencing upon the adoption of the enabling Ordinance for the purpose of design, permitting, and construction, and ending upon the first day the Premises are open to the public  
**Primary Term** - Commencing upon the date the Premises are open to the public and ending the last day of the month 10 years thereafter
- Obligation to Construct** : **Concessionaire shall expend a minimum investment of \$216 per square foot or \$410,400 for the construction, furnishing and equipping of Site 1, and \$164 per square foot or \$164,000 for Site 2. Concessionaire will provide a Schedule of Improvements which will be attached as an Exhibit to the Concession Agreement.**
- Mid Term Refurbishment** : **Concessionaire shall expend a minimum of \$50 per square foot for the refurbishment of Sites 1 and 2 during the sixth year of the agreement.**
- Rent** : **Minimum Annual Guarantee (MAG): \$36,000, payable in 12 equal monthly installments of \$3,000 or the percentage rent, whichever is greater.**

**Percentage Rent Schedule - Landside – Coffee Bean & Tea Leaf**

Enplanements:	Less than 250,000	250,000 to 500,000	500,000 and up
<i>Percentage of Gross Receipts from:</i>			
Specialty Coffee (Branded)	7%	8%	8%
Food and Beverage (Non-branded, non alcohol)	7%	10%	12%

**Percentage Rent Schedule - Airside – Costa Terraza Food & Spirits and Coffee Bean & Tea Leaf**

Enplanements:	Less than 250,000	250,000 to 500,000	500,000 and up
<i>Percentage of Gross Receipts from:</i>			
Specialty Coffee (Branded)	7%	8%	8%
Food and Beverage (Non-branded, non alcohol)	7%	10%	12%
Alcohol	7%	12%	15%

**Deposit** : Proposer's Deposit of \$12,000. Proposer will also provide a Surety Bond equal to the cost of construction to remain in effect for one year following the issuance of the certificate of occupancy. Proposal Deposit will be returned to Concessionaire once the Surety Bond is in place. A Security Deposit equal to one and one-half month's MAG will be held for the term of the lease and will be adjusted as the MAG is adjusted.

**Adjustment of MAG** : Annual adjustment of MAG to 85% of the previous years average monthly gross receipts. In no case will the MAG be lower than the MAG established in the first year of the agreement or the preceding year's MAG, whichever is greater.

**Obligation of Concessionaire** : **Pricing Policy** - The prices charged for food and beverages shall be within ten (10) percent of similar food and beverage establishments in the Santa Barbara metropolitan area. Concessionaire shall conduct periodic market basket comparison studies to verify the prices charged.

**Hours of Operation** – (Site 1) – post-Security grab and go – 4:30 a.m. to 6 p.m. (Site 1) bar and restaurant - 7:00 a.m. – 8:30 p.m., (Site 2) – pre-Security location – 6:30 a.m. to 9 p.m., seven days a week

**Personnel** – Concessionaire's staff shall be of adequate number and competently trained to meet all reasonable demands of the public in a courteous manner.

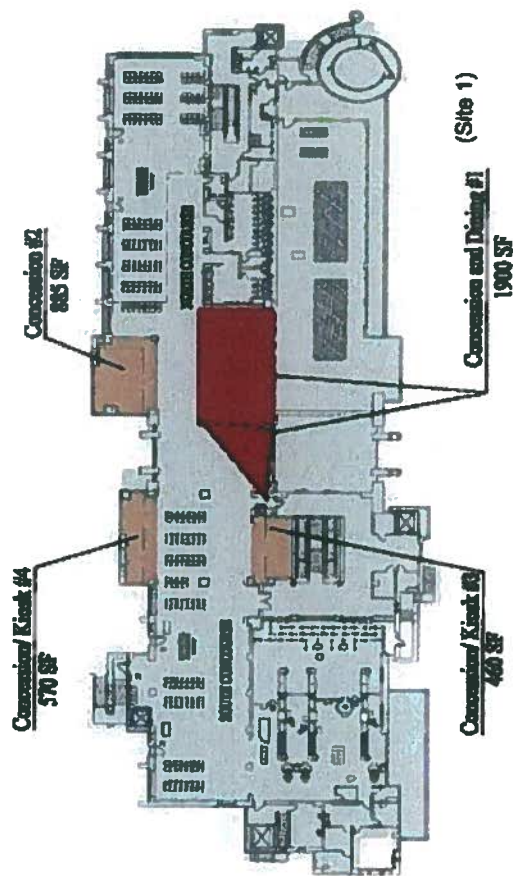
**Shopping Service** – City has the right to monitor and test all of Concessionaire's services by retaining a professional shopping service.

**Utilities** : Concessionaire will pay all charges for utilities.

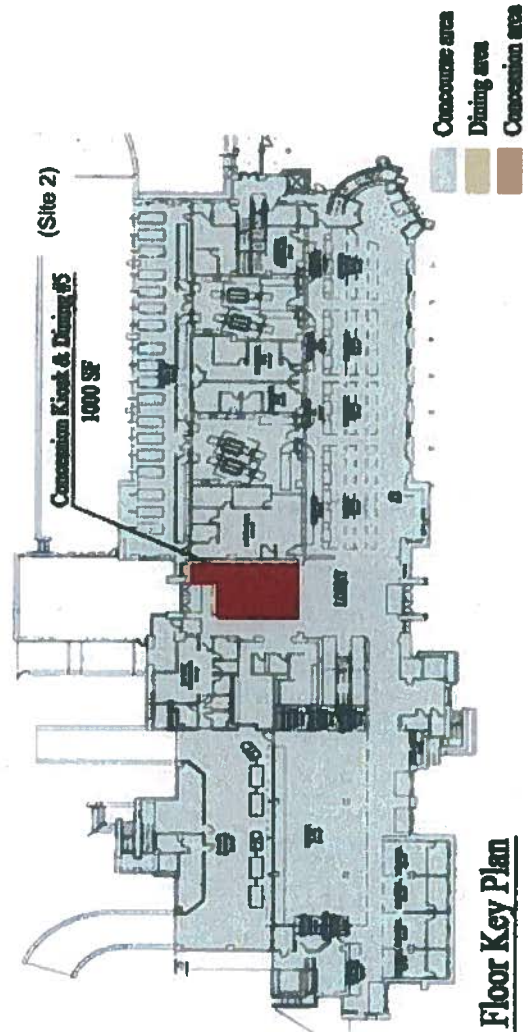
**Solid Waste Strategic Plan** : Concessionaire will be required to comply with the Airport's Solid Waste Management Plan and the City's Solid Waste Strategic Plan and will abide by the specific requirements to minimize waste destined for the landfill.

## ATTACHMENT 2

- Insurance** : \$1,000,000 comprehensive general liability (including liquor liability) and automobile liability insurance naming City as additional insured. Concessionaire shall also carry Business Interruption Insurance.
- Business License** : Must maintain current City Business License.
- Possessory Interest** : The Concession Agreement may create a possessory interest subject to property taxation. Concessionaire is subject to the payment of property taxes levied on such an interest.
- Subleasing** : All subleases subject to prior consent by Airport Director.
- Parking** : All employee parking must take place within the area designated by the Airport Director for terminal area employees.



## Terminal Second Floor Key Plan



## Terminal First Floor Key Plan



**CONCEPTUAL  
RENDERING**

---

**NORTH CONCOURSE  
CONCESSION &  
DINING AREA #1**

